

city of del mar

August 6, 1982

Ms. Betsy Sherman, Director
Management Information Service
International City Manager Association
1122 "G" Street, N. W.
Washington, D. C. 20005

RE: MIS "Want Ad" - Foundations

Dear Ms. Sherman:

In answer to your want ad in the July/August, 1982 MIS Bulletin, I am forwarding copies of several documents related to the Del Mar Foundation, a non-profit corporation created jointly by the City of Del Mar, and Del Mar Chamber of Commerce, to provide charitable assistance to the Del Mar Community:

- a) "About the Del Mar Foundation"
- b) Articles of Incorporation
- c) By-Laws
- d) Draft of Job Description of Board Member.

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MAR 14 1983

UNIVERSITY OF CALIFORNIA

The Del Mar Foundation was originally created as a vehicle for the conduct of our annual community celebration, Del Mar Day. It has now become apparent the Foundation can serve a number of purposes and Del Mar Day has become the principal fundraising program. Some of the activities that the Del Mar Foundation has undertaken in its first year of operation include:

1. Support of community organizations.
2. Application for private corporation and foundation grants for which the City as a "government" is not eligible.
3. Exploration with the City of various capital improvement financing programs, where it would be advantageous to have the Foundation act as property owner, lessee, etc.

Ms. Betsy Sherman, Director
August 6, 1982
Page 2

4. Facilitation of community activities which might not occur if forced into the political arena.
5. Involvement of a broad representation of the community in charitable and social activities where individuals, who otherwise would be political enemies, can find a common meeting ground of community improvement.

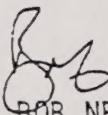
In the first year of operation, the Del Mar Foundation ended up with net revenues of \$13,000 available for allocation. The Board of Directors determined that one-half should be set aside as "seed money" to fund second year fundraising and administrative costs, with 25% to be invested as the beginning of an endowment fund. It is the goal of the Foundation to create an endowment fund where the interest earnings annually will cover the annual operating expenses. The remaining \$3,250 were allocated to the Parks and Recreation Committee (\$2,500) to resurface two tennis courts and to the Del Mar 2000 Committee, a citizen participation long range planning program for production costs to prepare a local origination program to be cablecast on our local cable television system.

The budget for the second year of operation projected net revenues of \$16,500, and it now appears that net revenues will exceed \$19,000.

If you have not already obtained a copy of the U. S. Department of Interior, Heritage Conservation and Recreation Service, publication Foundations... A Handbook, I would suggest that you do so. We acquired a copy through the League of California Cities; however, I understand you can contact the Washington Office of the Heritage Conservation and Recreation Service to obtain copies directly. I don't believe there is a government printing office number. This handbook, published in 1979, was very useful in educating members of the Chamber of Commerce Board of Directors, and the City Council, as to the advantage of a foundation and the "whys, wherefores, and how to's" of creating a 501 (c) (3) nonprofit corporation. Although we relied very heavily on our own legal counsel in drafting the Articles of Incorporation and By-Laws, and in meeting the California State Franchise State Tax Board and Internal Revenue Service qualifications for nonprofit status, the handbook was considerable help as an education tool.

Hopefully, this information will assist you. If you have any questions, please do not hesitate to contact me.

Sincerely,


BOB NELSON
City Manager

RAN:kb

Enclosures: 4

ABOUT THE DEL MAR FOUNDATION

The need for a foundation became evident as several situations occurred affecting Del Mar:

- a) Proposition 13 passed and revenues from property and other taxes began to cover only the very basic functions of the City's responsibility;
- b) The first Del Mar Day was organized and carried out with a surplus of revenues; and
- c) Civic leaders began to foresee the important role the foundation could play as a depository for gifts, grants and bequests from community oriented residents and corporations.

The Foundation was incorporated on August 20, 1981, with a 3-member Board of Directors representing the City Council, Chamber of Commerce and the community at large. To set the tone for its purpose and yet maintain flexibility to adapt to the changing needs of the community, the By-laws stated the goals in broad terms:

- a) Promote civic pride and cohesiveness;
- b) Inform community of its history, heritage, and ways to preserve the physical environment;
- c) Raise funds for the acquisition, maintenance, and improvement of publicly-owned beaches; and
- d) Operate special events in which the general public can share in athletic and cultural experiences.

Proceeds from Del Mar Day will be allocated to different areas of funding needs according to an established formula. The first \$5,000 will be reserved for Del Mar Day 1983 seed money. Of the remaining funds, 50% will be set aside for the perpetual endowment, and 50% will go toward specific projects.

The immediate goal, and a first priority among specific projects, is a concert series for local and regional artists to be held in Seagrove Park during the summer of 1983.

Long term goals include:

- Ongoing performing artist series, featuring local talent and regional talent (both musical and dance);
- Del Mar Summer Repertory Theater;
- Parks design and advancement, including South Bluffs development, Ahmanson Bluffs erosion work, and development of Seagrove III and IV areas.
- Acquisition and development of recreational facilities and property.
- Ongoing funding of citizen participation planning programs such as Del Mar 2000, if necessary;
- Development of adult sports leagues.

ORIGINAL

ARTICLES OF INCORPORATION

OF

DEL MAR FOUNDATION

I. NAME

The name of this corporation is DEL MAR FOUNDATION.

II. PURPOSES

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes. The specific purpose for which this corporation is organized is to provide charitable assistance to the community of Del Mar, California.

III. INITIAL AGENT FOR SERVICE OF PROCESS

The name of the initial agent of the corporation for service of process is D. DWIGHT WORDEN, whose complete business address is 117 West Plaza, Suite One, Solana Beach, California.

IV. LIMITATION ON CORPORATE ACTIVITIES

(a) This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

(b) Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (2) by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

(c) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V. DIRECTORS

The corporation shall have three (3) Directors. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
LOUIS M. TERRELL	328 Pine Needles Drive
	Del Mar, California 92014
WILLIAM H. KIRWIN, JR.	2311 Cordero Road
	Del Mar, California 92014
JOEL O. HOLLIDAY	1233 Crest Road
	Del Mar, California 92014

VI. DEDICATION AND DISSOLUTION

The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of the organization shall ever inure to the benefit of any Director, officer or member thereof, or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment of, all debts and liabilities of this corporation, shall be distributed to the federal government, or to a state or local government for public purposes or to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

IN WITNESS WHEREOF, the undersigned, being the Incorporators of DEL MAR FOUNDATION and the initial Directors named in these Articles of Incorporation, have executed these Articles of Incorporation on July 24, 1981.

INCORPORATORS:

CITY OF DEL MAR
A Municipal Corporation
Incorporator

By: L M Terrell
LOUIS M. TERRELL, Mayor

DEL MAR CHAMBER OF COMMERCE
A California Nonprofit Corporation
Incorporator

By: Harold Crosby
HAROLD F. CROSBY, President

DEL MAR DAY COMMITTEE
An Unincorporated Association
Incorporator

By: Harvey Shapiro
HARVEY SHAPIRO, Chairman

DIRECTORS:

Joel O. Holliday
JOEL O. HOLLIDAY, Director

L M Terrell
LOUIS M. TERRELL, Director

William H. Kirwin Jr.
WILLIAM H. KIRWIN, JR, Director

DECLARATION

We are the persons whose names are subscribed below. We collectively are all of the incorporators of DEL MAR FOUNDATION and all of the initial directors named in the Articles of Incorporation, and we have executed these Articles of Incorporation. The foregoing Articles of Incorporation are our act and deed, joint and severally.

Executed on the 24th day of July,
1981 at Del Mar, California.

We, and each of us, declare that the foregoing is true and correct.

INCORPORATORS:

CITY OF DEL MAR
A Municipal Corporation
Incorporator

By: LOUIS M. TERRELL
LOUIS M. TERRELL, Mayor

DEL MAR CHAMBER OF COMMERCE
A California Nonprofit Corporation
Incorporator

By: HAROLD F. CROSBY
HAROLD F. CROSBY, President

DEL MAR DAY COMMITTEE
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By: HARVEY SHAPIRO
HARVEY SHAPIRO, Chairman

DIRECTORS:

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LOUIS M. TERRELL, Director

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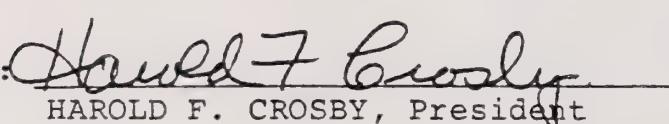
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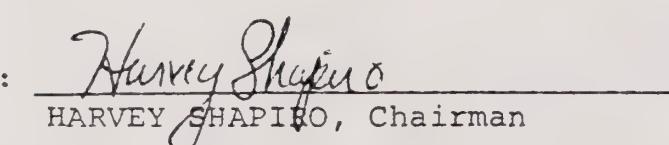
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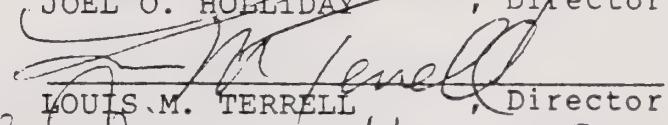
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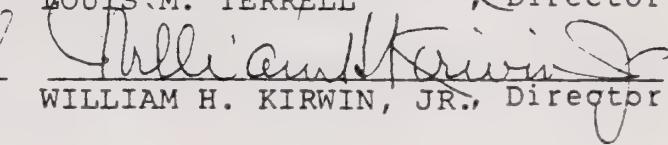
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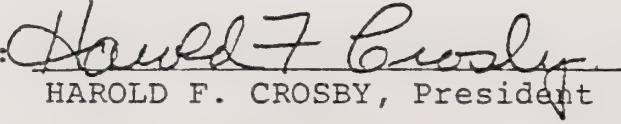
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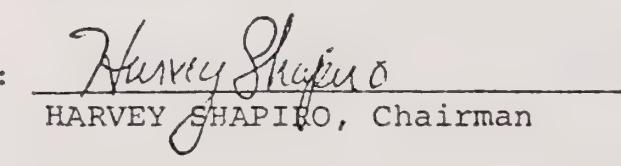
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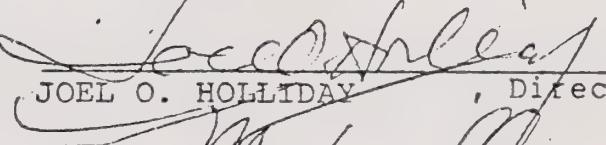
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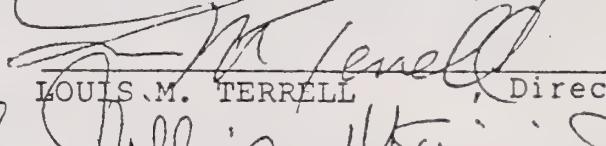
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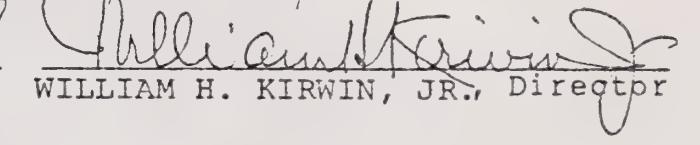
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LOUIS M. TERRELL, Director


WILLIAM H. KIRWIN, JR., Director

ORIGINAL

BYLAWS OF
DEL MAR FOUNDATION

A California Nonprofit Public Benefit Corporation

ARTICLE 1. OFFICES

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in San Diego County, California.

SECTION 2. CHANGE OF ADDRESS

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

_____, Dated: _____, 19_____
_____, Dated: _____, 19_____
_____, Dated: _____, 19_____

SECTION 3. OTHER OFFICES

The corporation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

ARTICLE 2. PURPOSES

SECTION 1. OBJECTIVES AND PURPOSES

The primary objectives and purposes of this corporation shall be:

(a) to promote civic pride and community cohesiveness in the City of Del Mar;

(b) to inform members of the Del Mar community with respect to the community's history and heritage and ways to preserve and enhance the physical environment of the Del Mar area;

(c) to solicit, raise and distribute funds, real and personal properties, and other assets for the acquisition, maintenance and improvement of publicly owned beaches, open-space and park lands in the City of Del Mar, and for other public purposes which will benefit the Del Mar community; and

(d) to plan, promote and operate special events and programs in the City of Del Mar in which members of the general public can share in athletic and cultural experiences.

ARTICLE 3. MEMBERS

SECTION 1. DETERMINATION AND RIGHTS OF MEMBERS

The corporation shall have only one class of members. No member shall hold more than one membership in the corporation. Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this corporation, all memberships shall have the same rights, privileges, restrictions and conditions.

SECTION 2. NUMBER AND DESIGNATION OF MEMBERS

The number of members of the corporation is three (3). The members are: the City of Del Mar, a chartered municipal corporation of the State of California; the Del Mar Chamber of Commerce, a California nonprofit corporation; and Del Mar Day Citizens Committee, an unincorporated association of citizens and groups not including the City of Del Mar or the Del Mar Chamber of Commerce.

SECTION 3. MEMBERSHIP BOOK

The corporation shall keep a membership book containing the name and address of each member. Termination of the membership of any member shall be recorded in the book, together with the date of termination of such membership. Such book shall be kept at the corporation's principal office and shall be available for inspection by any Director or member of the corporation during regular business hours.

SECTION 4. NONLIABILITY OF MEMBERS

A member of this corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.

SECTION 5. NONTRANSFERABILITY OF MEMBERSHIPS

No member may transfer for value a membership or any right arising therefrom. All rights of membership cease upon the member's dissolution.

SECTION 6. TERMINATION OF MEMBERSHIP

The membership of a member shall terminate upon the delivery of its notice of such termination to the President or Secretary of the corporation personally or by mail, such membership to terminate upon the date of delivery of the notice or date of deposit in the mail.

SECTION 7. RIGHTS ON TERMINATION OF MEMBERSHIP

All rights of a member in the corporation shall cease on termination of membership as herein provided.

ARTICLE 4. MEETINGS OF MEMBERS

SECTION 1. PLACE OF MEETINGS

Meetings of members shall be held at the principal office of the corporation or at such other place or places within or without the State of California as may be designated from time to time by resolution of the Board of Directors.

SECTION 2. ANNUAL MEETINGS

The members shall meet annually on the 2nd Wednesday in June in each year, at 7:30 a.m./~~p.m.~~, for the purpose of electing Directors and transacting other business as may come before the meeting. Cumulative voting for the election of Directors shall not be permitted. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected. Each voting member shall cast one vote, with voting being by ballot only. The annual meeting of members for the purpose of electing Directors shall be deemed a regular meeting and any reference in these Bylaws to regular meetings of members refers to this annual meeting.

If the day fixed for the annual meeting falls on a legal holiday, such meeting shall be held at the same hour and place on the next business day.

SECTION 3. SPECIAL MEETINGS OF MEMBERS

(a) Persons Who May Call Special Meetings of Members. Special meetings of the members shall be called by the Board of Directors, the Chairman of the Board, or the President of the corporation. In addition, special meetings of the members for the purpose of the removal of Directors and election of their replacements may be called by two (2) or more of the members.

SECTION 4. NOTICE OF MEETINGS

(a) Time of Notice. Whenever members are required or permitted to take action at a meeting, a written notice of the meeting shall be given by the Secretary of the corporation not less than ten (10) days nor more than ninety (90) days before the date of the meeting to each member who, on the record date for the notice of the meeting, is entitled to vote thereat; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given twenty (20) days before the meeting.

(b) Manner of Giving Notice. Notice of a members' meeting or any report shall be given either personally or by mail or other means of written communication, addressed to the member at the address of such member appearing on the books of the corporation or given by the member to the corporation for the purpose of notice; or if no address appears or is given, at the place where the principal office of the corporation is located or by publication of notice of the meeting at least once in a newspaper of general circulation in the county in which the principal office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.

(c) Contents of Notice. Notice of a membership meeting shall state the place, date, and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of a regular meeting, those matters which the Board, at the time notice is given, intends to present for action by the members. Subject to any provision to the contrary contained in these Bylaws, however, any proper matter may be presented at a regular meeting for such action. The notice of any meeting of members at which Directors are to be elected shall include the names of all those who are nominees at the time notice is given to members.

(d) Notice of Meetings Called by Members. If a special meeting is called by members as authorized by these Bylaws, the request for the meeting shall be submitted in writing, specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by registered mail or by telegraph to the Chairman of the Board, President, Vice-President or Secretary of the corporation. The officer receiving the request shall promptly cause notice to be given to the members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than thirty-five (35) days nor more than ninety (90) days after the receipt of the request for the meeting by the officer. If the notice is not given within twenty (20) days after the receipt of the request, persons calling the meeting may give the notice themselves.

(e) Waiver of Notice of Meetings. The transactions of any meeting of members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph (f) of this section, the waiver of notice or consent shall state the general nature of the proposal.

(f) Special Notice Rules for Approving Certain Proposals. If action is proposed to be taken or is taken with respect to the following proposals, such action shall be invalid unless unanimously approved by those entitled to vote or unless the general nature of the proposal is stated in the notice of meeting or in any written waiver of notice:

- (1) Removal of directors without cause;
- (2) Filling of vacancies on the Board by the members;
- (3) Amending the Articles of Incorporation; and
- (4) An election to voluntarily wind up and dissolve the corporation.

SECTION 5. QUORUM FOR MEETINGS

A quorum shall consist of two (2) of the voting members of the corporation.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

When a meeting is adjourned for lack of a sufficient number of members at the meeting or otherwise, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting other than by announcement at the adjourned meeting. Notice of the adjourned meeting shall be required, however, if the adjournment is for more than forty-five (45) days from the date of the original meeting.

In the absence of a quorum, any meeting of the members may be adjourned from time to time by the vote of a majority of the votes represented in person or by proxy at the meeting, but no other business shall be transacted at such meeting.

SECTION 6. MAJORITY ACTION AS MEMBERSHIP ACTION

Every act or decision done or made by a majority of voting members present in person or by proxy at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this corporation, or these Bylaws require a greater number.

SECTION 7. VOTING RIGHTS

Each member is entitled to one vote on each matter submitted to a vote by the members. Voting at duly held meetings shall be by voice vote. Election of Directors, however, shall be by ballot.

SECTION 8. DESIGNATED REPRESENTATIVES

Each member of this corporation shall in writing designate its own representative to vote on its behalf on any or all matters which may require a vote of the members.

SECTION 9. CONDUCT OF MEETINGS

Meetings of members shall be presided over by the Chairman of the Board, or, if there is no Chairman, by the President of the corporation or, in his or her absence, by the Vice-President of the corporation or, in the absence of all of these persons, by a Chairman chosen by a majority of the voting members, present in person or by proxy. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by Roberts' Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with any provision of law.

SECTION 10. ACTION BY WRITTEN BALLOT WITHOUT A MEETING

Any action which may be taken at any regular or special meeting of members may be taken without a meeting if the corporation distributes a written ballot to every member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of each proposal, provide that where the person solicited specifies a choice with respect to any such proposal the vote shall be cast in accordance therewith, and provide a reasonable

time within which to return the ballot to the corporation. Ballots shall be mailed or delivered in the manner required for giving notice of meetings specified in Section 4(b) of this Article.

All written ballots shall also indicate the number of responses needed to meet the quorum requirement and, except for ballots soliciting votes for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The ballots must specify the time by which they must be received by the corporation in order to be counted.

Approval of action by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by written ballot. Such ballots for the election of Directors shall list the persons nominated at the time the ballots are mailed or delivered. If any such ballots are marked "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld, they shall not be counted as votes either for or against the election of a Director.

A written ballot may not be revoked after its receipt by the corporation or its deposit in the mail, whichever occurs first.

SECTION 11. REASONABLE NOMINATION AND ELECTION PROCEDURES

This corporation shall make available to members reasonable nomination and election procedures with respect to the election of Directors by members. Such procedures shall be reasonable given the nature, size and operations of the corporation, and shall include:

- (a) A reasonable means of nominating persons for election as Directors.
- (b) A reasonable opportunity for a nominee to communicate to the members the nominee's qualifications and the reasons for the nominee's candidacy.
- (c) A reasonable opportunity for all nominees to solicit votes.
- (d) A reasonable opportunity for all members to choose among the nominees.

Generally, any person who is qualified to be elected to the Board of Directors shall be nominated at the annual meeting of members held for the purpose of electing Directors by any member present at the meeting in person or by proxy.

ARTICLE 5. DIRECTORS

SECTION 1. NUMBER

The corporation shall have three (3) Directors and collectively they shall be known as the Board of Directors. The number may be changed by amendment of this Bylaw, or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws.

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation Law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 3. DUTIES

It shall be the duty of the Directors to:

(a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws.

(b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation.

(c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly.

(d) Meet at such times and places as required by these Bylaws.

(e) Register their addresses with the Secretary of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

SECTION 4. TERMS OF OFFICE

Each Director shall hold office until the next annual meeting for election of the Board of Directors as specified in

these Bylaws, and until his or her successor is elected and qualifies.

SECTION 5. COMPENSATION

Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings. In addition, they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than Director unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

SECTION 6. RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

(a) any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

(b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

SECTION 7. PLACE OF MEETINGS

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within the State of California which has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the corporation shall be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another.

SECTION 8. REGULAR AND ANNUAL MEETINGS

Regular meetings of Directors shall be held on the 2nd Wednesday of each month at 7:30 a.m./~~pxxx~~, unless such day falls on a legal holiday, in which event the regular meeting shall be held at the same hour and place on the next business day.

SECTION 9. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the Chairman of the Board, the President, the Vice-President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

SECTION 10. NOTICE OF MEETINGS

Regular meetings of the Board may be held without notice. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone or telegraph. If sent by mail or telegram, the notice shall be deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

SECTION 11. CONTENTS OF NOTICE

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice.

SECTION 12. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS

The transaction of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals, shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 13. QUORUM FOR MEETINGS

A quorum shall consist of two (2) Directors.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which

a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

SECTION 14. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board.

SECTION 15. CONDUCT OF MEETINGS

Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or, if no such person has been so designated or, in his or her absence, the President of the corporation or, in his or her absence, by the Vice-President of the corporation or, in the absence of each of these persons, by a Chairman chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as Secretary of all meetings of the Board, provided that in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by Roberts' Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

SECTION 16. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this corporation authorize the Directors to so act, and such statement shall be *prima facie* evidence of such authority.

SECTION 17. VACANCIES

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

Any Director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

Vacancies on the Board may be filled by a majority of Directors then in office, whether or not less than a quorum, or by a sole remaining Director. Vacancies created by the removal of a Director, however, may be filled only by the approval of the members. The members of this corporation may elect a Director at any time to fill any vacancy not filled by the Directors.

A person elected to fill a vacancy as provided in this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

SECTION 18. NON-LIABILITY OF DIRECTORS

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

SECTION 19. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person, who is, or was, a Director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

SECTION 20. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

ARTICLE 6. OFFICERS

SECTION 1. NUMBER OF OFFICERS

The officers of this corporation shall be a President, a Secretary and a chief financial officer who shall be designated the Treasurer. The corporation may also have, as determined by the Board of Directors, a Chairman of the Board, one or more Vice-Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or Chairman of the Board.

SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE

Any person may serve as officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or successor shall be elected and qualified, whichever occurs first.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

SECTION 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

SECTION 5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

SECTION 6. DUTIES OF PRESIDENT

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairman of the Board of Directors, he or she shall preside at all meetings of the Board of Directors.

The President shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks or other instruments which may from time to time be authorized by the Board of Directors.

SECTION 7. DUTIES OF VICE-PRESIDENT

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice-President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice-President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

SECTION 8. DUTIES OF SECRETARY

The Secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of Directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or by these Bylaws.

Keep at the principal office of the corporation a membership book containing the name and address of each member, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse or cause to be disbursed the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefor.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or caused to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time by the Board of Directors.

SECTION 10. COMPENSATION

The salaries of the officers, if any, shall be fixed from time to time by resolution of the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the corporation,

provided, however, that such compensation paid a Director for serving as an officer of this corporation shall only be allowed if permitted under the provisions of Article 5, Section 6, of these Bylaws. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered the corporation which relate to the performance of the charitable or public purposes of this corporation.

ARTICLE 7. COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

The Board of Directors may, by a majority vote of Directors then in office, designate two (2) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

(a) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the members or of a majority of all of the members.

(b) The filling of vacancies on the Board or on any committee which has the authority of the Board.

(c) The fixing of compensation of the Directors for serving on the Board or on any committee.

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws.

(e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

(f) The appointment of committees of the Board or the members, thereof.

(g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.

(h) The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the

number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

SECTION 2. OTHER COMMITTEES

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also members of the Board. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as "advisory" committees.

SECTION 3. MEETINGS AND ACTION OF COMMITTEES

Meetings and actions of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE 8. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

ARTICLE 9. CORPORATE RECORDS, REPORTS AND SEAL

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office in the State of California:

(a) Minutes of all meetings of Directors, committees of the Board and of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof.

(b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.

(c) A record of its members indicating their names and addresses and designated representatives.

(d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members of the corporation at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

SECTION 3. DIRECTORS' INSPECTION RIGHTS

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS

Each and every member shall have the following inspection rights, for a purpose reasonably related to such entity's interest as a member:

(a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.

(b) To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such entity's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 6. ANNUAL REPORT

The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and to any member who requests it in writing, which report shall contain the following information in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(e) Any information required by Section 7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

SECTION 7. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS TO MEMBERS

If this corporation has any members and provides the members with an annual report according to the provisions of Section 6 of this Article, then such annual report shall include the information required by this Section. If an annual report is not required to be sent to the members, then this corporation shall mail or deliver to all members a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

(a) Any transaction in which the corporation, or its parent or its subsidiary was a party, and in which either of the following had a direct or indirect material financial interest:

(1) any director or officer of the corporation, or its parent or subsidiary (a mere common directorship shall not be considered a material financial interest); or

(2) any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than FORTY THOUSAND DOLLARS (\$40,000.00) or which was one of a number of transactions with the same person involving, in the aggregate, more than FORTY THOUSAND DOLLARS (\$40,000.00).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000.00) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the members pursuant to Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

ARTICLE 10. FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE CORPORATION

The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

ARTICLE 11. BYLAWS

SECTION 1. AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

(a) subject to the power of the members, to change or repeal them, by approval of the Board of Directors unless the Bylaw amendment would materially and adversely affect the rights of members, if any, as to voting or transfer, provided, however, if this corporation has admitted any members, then a Bylaw specifying or changing the fixed number of Directors of the corporation, the maximum or minimum number of Directors, or changing from a fixed to variable Board or vice versa, may not be adopted, amended, or repealed except as provided in subparagraph (b) of this section; or

(b) by approval of all the members of this corporation.

ARTICLE 12. AMENDMENT OF ARTICLES

SECTION 1. AMENDMENT OF ARTICLES BEFORE ADMISSION OF MEMBERS

Before any members have been admitted to the corporation, any amendment of the Articles of Incorporation may be adopted by approval of the Board of Directors.

SECTION 2. AMENDMENT OF ARTICLES AFTER ADMISSION OF MEMBERS

After members have been admitted to the corporation, amendment of the Articles of Incorporation may be adopted by the approval of the Board of Directors and by the approval of the members of this corporation.

SECTION 3. CERTAIN AMENDMENTS

Notwithstanding the above Sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation and of the names and addresses of the first Directors of this corporation nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE 13. PROHIBITION AGAINST SHARING
CORPORATE PROFITS AND ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

Notwithstanding the provisions of this section, however, the City of Del Mar may receive donations from this corporation for public purposes and may share in the distribution of the corporate assets on dissolution of the corporation as provided in the Articles of Incorporation of this corporation.

WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

We the undersigned, are all of the persons named as the initial Directors in the Articles of Incorporation of DEL MAR FOUNDATION, a California nonprofit corporation, and, pursuant to the authority granted to the Directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of 23 pages, as the Bylaws of this corporation.

DATED: _____

Joel O. Holliday
Director, Joel O. Holliday

Louis M. Terrell
Director, Louis M. Terrell

William H. Kirwin
Director, William H. Kirwin Jr.

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth above.

DATED: 9-28-81

Marie Slaten
Secretary

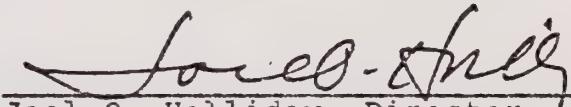
WAIVER OF NOTICE AND CONSENT TO HOLDING
OF FIRST MEETING OF BOARD OF DIRECTORS

OF

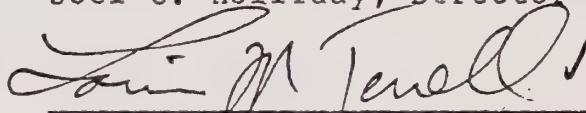
DEL MAR FOUNDATION
a California Nonprofit Public Benefit Corporation

WE, THE UNDERSIGNED, being all of the Directors of DEL MAR FOUNDATION, a California nonprofit public benefit corporation, hereby waive notice of the first meeting of the Board of Directors of the Corporation and consent to the holding of said meeting at 1050 Camino Del Mar in Del Mar, California, on September 28, 1981 at 4:00 p.m., and consent to the transaction of any and all business by the Directors at the meeting, including without limitation, the adoption of Bylaws, the election of officers, and the selection of the place where the Corporation's bank account will be maintained.

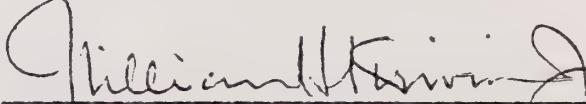
DATED: 9-28-81



Joel O. Holliday, Director



Louis M. Terrell, Director



William H. Kirwin, Jr., Director

DEL MAR FOUNDATION

JOB DESCRIPTION

MEMBER, BOARD OF DIRECTORS

The affairs, property and powers of the Del Mar Foundation, a non-profit corporation, are entrusted to not less than three, nor more than seven members of the Board of Directors, with the stated intention of having five Directors serving at all times.

Duties of the Board:

The primary duty of the Board of Directors is to achieve the objectives and purposes of the Foundation as follows:

1. To promote civic pride and community cohesiveness in the City of Del Mar.
2. To inform members of the Del Mar community with respect to the community's history and heritage and ways to preserve and enhance the community's physical environment.
3. To solicit, raise and distribute funds, real and personal properties, and other assets for the acquisition, maintenance and improvement of publicly owned beaches, open space and parklands within the City of Del Mar, and for other public purposes which will benefit the Del Mar community.
4. To plan, promote and operate special events and programs in the City of Del Mar in which members of the general public can share in athletic and cultural experiences.

The Board of Directors will be devoting a major portion of their efforts to the accomplishment of the following activities over the next two-year period:

1. Sponsor Del Mar Day - Organization and seed money.
2. Build Foundation Endowment.
3. Initiate, publicize fundraising programs including:
 - a) legacies;
 - b) lifetime tax-deductible trusts;
 - c) sponsoring fundraising activities;
 - d) organizing volunteer fundraising network and consideration of retaining fundraising consultant.

4. Fund current projects in the City, including:
 - a) park development;
 - b) median landscaping;
 - c) library improvements;
 - d) long-term cultural programs;
 - e) repertory theater;
 - f) artists' series;
 - g) adult sports league;
 - h) community swimming pool.

Other specific duties, as outlined in the By-Laws include appointment and supervision of all officers, agents and employees of the corporation, meeting at such times and places as are required to accomplish the primary duties, and taking such actions as are necessary to comply with state law and the Articles of Incorporation and By-Laws of the Foundation.

Board of Directors Composition:

The Board of Directors will consist of not less than three, nor more than seven members as follows:

1. The City Council of the City of Del Mar;
2. The Del Mar Chamber of Commerce as represented by the Chamber's Board of Directors;
3. A public member to be selected by the City Council of the City of Del Mar from the general public, excluding City Council members.

Desirable Characteristics, Skills, and Experience for Board Members:

The Board of Directors should be composed of members who, in addition to willingness to engage in fundraising, have one or more of the following characteristics, skills or demonstrated experiences:

1. Past experience as a participant and leader in one or more Del Mar-oriented community service, business, cultural, athletic or educational organization;
2. Demonstrated success as a political leader;
3. Demonstrated success in business or public management, public relations, volunteer organization management, or

management of an organization that conducts special event activities involving large numbers of persons;

4. A demonstrated commitment to cultural activities in the Del Mar community and/or greater San Diego Metropolitan areas;
5. A demonstrated commitment to recreational or athletic activities in the Del Mar community and/or greater San Diego Metropolitan area;
6. Demonstrated ability to identify community needs and resources available to meet those needs;
7. The capacity to donate \$1,000 or more to the Foundation;
8. The capacity to raise \$4,000 in donations for the Foundation.

Time Commitment:

The Board of Directors meets regularly at least once each month for approximately two hours. Additionally, Board members can expect to spend an average of four or more additional hours each month on Foundation-related activities, including Committee work.

Compensation:

Directors serve without compensation except that they are allowed and paid their actual necessary expenses incurred in the performance of their regular duties as provided in the annual budget of the Foundation.

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